5-75

GENERAL

1. Immediate Palestine settlement strongly urged--US Ambassador Griffis in Cairo strongly urges that the psychological moment is at hand for the US and UK to join in forcing through some UN partition plan for Palestine. Griffis believes that the Arab states are now disunited, demoralized, and immobile: he reports the view of observers in Cairo that Egypt might now welcome a prompt Palestine settlement as a way out of the war. Griffis warns that in the absence of a settlement the Israelis might conceivably drive the Egyptian Army back into Egyptian territory, possibly leading to a chaotic situation which would force the British to take over the maintenance of order in Egypt.

EUROPE

	although the coal strike	
	is practically ended and the Government has thus dealt a	
	serious blow to the Communist leadership, the Communists	
_	have nevertheless achieved an important victory by causing	
	a "tremendous" depletion of present coal stocks.	7
L	if there is another strike in the next	
	few months, the Government will have practically no re-	
	serves on which to draw.	25X1X
(1X	(CTA Comment, CTA believes that	23/1/
г	(CIA Comment: CIA believes that	
L	has not exaggerated the gravity of this	
	danger. CIA considers, moreover, that the mine strike will continue for several more days at least.)	

